

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of)	CA 05-11
)	
Thomas I. Nakama,)	
)	
Respondent.)	
_____)	

CONCILIATION AGREEMENT

On or around May, 2004, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of Cutter Ford, Inc. Cutter Ford, Inc. is registered with the Business Registration Division for the purpose of sales, repair and service of passenger cars, trucks, buses, taxicabs, and other vehicles. Cutter Ford, Inc., business address is 1311 Kapiolani Blvd., Suite 200, Honolulu, Hawaii. Thomas Nakama, ("Nakama") General Manager for Cutter Ford, is the sole named Respondent.

The investigation was initiated pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, Nakama and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondent and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or

corrective action taken by Respondent pursuant to section 11-216(g),
HRS.

- III. That Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondent waives the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondent Nakama, having voluntarily and fully cooperated with this investigation desires to resolve any potential litigation by entering into this Agreement with the Commission on his own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
 - 1. On or around May, 2004, Robert Y. Watada, in his capacity as Executive Director of the Campaign Spending Commission, and upon information received through the disclosure statements of the candidate campaign committee of Linda Lingle (“Lingle”), initiated an investigation involving false name or excess contributions in violation of particular campaign finance statutes.
 - 2. Section 11-204(a)(1)(B), HRS reads in part that a no person shall make contributions to a “candidate seeking nomination or election to a four-year statewide office or to the candidate’s committee in an aggregate amount greater than \$6,000 during an election period”.

3. Section 11-202, HRS, reads in part as follows: No person shall make a contribution of the person's own money or property, or committee in connection with a nomination for election, or election, in any name other than the true name of the person who owns the money or who supplied the money or property.
4. The Commission finds that Nakama and family made campaign contributions to Lingle in the amount of \$ 7,200 in the 1998 election period, \$8,250 in the 2002 election period and \$700 to date for the 2006 elections.
5. On or about June 2001, Thomas Nakama made a contribution of \$750 to Lingle.
6. On or about May 2002, Ito Michele Nakama made a contribution of \$500 to Lingle.
7. On or about May 2002, Kawai Marche Nakama made a contribution of \$500 to Lingle.
8. On or about May 2002, Thomas Nakama made a contribution of \$5,250 to Lingle.
9. On or about September 2002, Ito Michele Nakama made a contribution of \$50 to Lingle.
10. On or about November 2002, Kawai Marche Nakama made a contribution of \$200 to Lingle.
11. On or about June 2003, Ito Michele Nakama made a contribution of \$200 to Lingle.

12. On or about June 2003, Thomas Nakama made a contribution of \$500 to Lingle.

VII. Settlement Terms

As final settlement of the matter and issues in Conciliation Agreement 05-

11 Respondent Nakama understands and agrees to the following:

- (A) Respondent Nakama agrees to an administrative fine in the amount of **One Thousand Dollars (\$1,000)** pursuant to section 11-228, HRS, for violations of section 11-202, HRS, making false name campaign contributions to the candidate committees of Lingle, and violation of section 11-204, HRS for making excess campaign contributions for the 2002 election period to the Lingle campaign.
- (B) Respondent agrees to comply with campaign finance statutes on contribution and expenditures to candidate committees.
- (C) Terms of payment of the assessment shall be by Order of the Commission.
- (D) This Agreement is not to be construed as an admission of any misconduct, liability or fault of any kind whatsoever by Respondent, but compromises and settles a dispute for the purpose of avoiding further controversy, litigation and exposure.

- VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.
- IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.
- X. This Agreement constitutes the entire agreement between the Commission and Nakama on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.
- XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

FOR THE COMMISSION:

Barbara Wong, Executive Director

By: _____

Date: _____

FOR THE RESPONDENT:

Thomas I. Nakama

By: _____

Date: _____